

# Chapter 4

## CHAPTER 4 – ORGANISATIONAL DEVELOPMENT PERFORMANCE

### (PERFORMANCE REPORT PART II)

#### COMPONENT A: INTRODUCTION TO THE MUNICIPAL PERSONNEL

##### INTRODUCTION

##### **The Strategic Repositioning of the Human Capital Function :( HCM )**

1. In context with our endeavors to successfully add value to the growth and development of the Municipality, it is imperative that the notion of strategically repositioning the HCM function is embraced and expedited. Core to advancing this notion are the three areas below needing exerted efforts.

##### **1.1 Professionalization of the HCM Function:**

To gear HCM up to the challenges of becoming the Strategic Partner to the Municipality, the Division has aligned itself with the South African Board for People Practice (SABPP). This is the first professional body world-wide to develop the Standards and Practices to ensure consistency and value add services to the Municipal development and growth. This is in line with the Government's mission to professionalize Local Government. This inspires and enthuses the officials to take their jobs seriously and ensure that they comply with the rules and the code of ethics. They are also encouraged to adhere to the requirement for their Continuous Professional Development, as such; they are expected to continuously enhance their competencies and skills.

HCM Divisional officials have all been registered in all the SABPP Professional Levels: Human Resources Technicians, Human Resources Associates, Human Resources Professionals, Chartered Human Resources Professionals and Master Human Resources Professionals. This is a great milestone was reached in the quest to add value to the enhancement of the municipal service delivery efforts.

This is an indispensable course that even SALGA is exploring to influence and assist other municipalities to follow for the purpose of professionalization of the HCM function in order to expedite the repositioning process.

During the year under review, almost all the officials in the HCM Division underwent training and development programmes to deepen their knowledge in the HCM function. This also gives comfort and confidence that the officials are poised and prepared to meet the needs of client departments.

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## 1.2 Capacity Building of the Identified Scarce, Critical Skills and the Potential Talent:

Capacity Building refers to the ability of the Municipality to interactively consider the appropriate interventions that ensure that Municipal capacity is addressed at Individual, Institutional as well as the Environmental level. It is crucial to always keep these levels in mind when planning for capacity building.

- **Individual Capacity:** The approach has been to consider the potential and competency or lack thereof found within the municipal employees usually displayed through their specific technical and generic skills, knowledge, attitude and behavior, accumulated through forms of education, training and experience, networks and values.
- **Institutional Capacity:** This also refers to the potential and competency or lack thereof found within the municipality and an organization. It includes Human Resources, (the collective individual capacities). It further encompasses the strategic leadership, organizational purpose, orientation, institutional memory, internal confidence, partnerships, intergovernmental relations, powers and functions, resources and support systems, infrastructure and financial abilities, structures, processes, culture and by-laws.
- **Environmental Capacity:** These are the factors that the municipality has little or no influence or direct impact on but that may be needed by the municipality. They are the external conditions that the Municipality may be able to harness.

## 1.3 Inspired Upward Mobility of the Developed Talent:

Relevant to the Strategic HCM Plan long range intention is to develop internal capacity, it is important that the municipality embarks on the journey of developing and implementing the succession and career planning for its employees. This will inspire active promotion of career planning and learning aligned to the Strategic HCM training programmes.

In view of this, the communication to employees in terms of the HCM Strategy has been open and direct in clarifying their roles in being part of the changing phenomenon of Human Capital Management function within the municipality.

## 2. Organizational Change and New Culture

### 2.1 Workplace Relationship:

The workplace has been polarized for far too long. This has been exacerbated by the lack of the will to recognize the co-existence and co-determination of the workplace players (Employer, Unions and Employees). In creating the need for the new perspective on this critical workplace terrain, the municipality has developed the Employee Relations Management Strategic Plan, that is progressive in nature and encapsulate the realities of the norms and values of the nation in transition and finding its true stature.

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The approach to demystifying the root causes of the workplace confrontational relationships, was to conduct series of impactful interventions: The three recent Enterprise Resource Management (ERM) Change and Role Clarification Intervention and the Performance Management System Intervention for the Unions and the other for the Executive Committee Members. Prior to these three interventions, series of the similar PMS interventions were facilitated for the other categories of the employees.

These interventions have assisted in setting the scene for new organizational culture and the need for improving the workplace relationships.

The recent interventions with the two Unions on the critical aspects of the efforts to building capacity and harnessing the relationships with stakeholders has been phenomenal. For instance, clarifying the role of Employee Relations Management function and the need for Performance Management Systems have been impactful in creating platform for cohesive team efforts.

### **3. Continuous Development and Improvement of Efficiencies within the Municipality**

#### **3.1 Implementation of HCM Strategic Plan:**

In pursuance with of quest to improve our efficiencies, the municipality remain consistent in exploring the implementation of Human Capital Management and Development Strategic Plan. This is to ensure that decision makers are well informed on the current supply and the demand for people as well as the prioritized and strategic Human Capital Management actions to be undertaken. The implementation of the HCM & Strategic Plan will continue for the period 2015/2016.

##### **3.1.1 Employee Performance Management System (EPMS)**

Human Capital Management (HCM) Division in the year under review continues to focus on Municipal Efficiency Development and Improvement. Core to this quest was to continue implementing, embedding and cascading the Employee Performance Management System through-out the municipality. The progress is quite laudable. It is envisaged that things being equal, the system will finally be commissioned by end of the next financial year (2016/2017).

##### **3.1.2 SMARTHR System:**

The **SMARTHR System** is also reaching finality with implementation expected to fully **Go ON Live** by the end of 2016/17 financial year. Currently, the integration with Financial Management System is underway and progress is satisfactory.

##### **3.1.3 TASK Job Evaluation System:**

The other important project HCM Division is undertaking is to implement the Task Job Evaluation System. This project is being rolled out under the auspices of SALGA Gauteng and is driven as the regional project from the West Rand District Municipality. However, Mogale City Local Municipality is taking the lead in ensuring that it is successfully implemented. Training has already commenced. Currently, the regional committee headed by Mogale City's Specialist: Organisational Design, has been established and has commenced with its crucial work. It is hoped that by the end of the period 2016/2017 it would have been implemented. This will be yet another great milestone to

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have been achieved.

The actual job evaluation process has commenced in earnest at our Municipality. Currently the prioritizing of the positions that have been identified as having blurring disparities. Once these have been completed, the holistic approach, which is more integrative will be pursued.

These three systems (i.e. E-Performance Management, SMARTHR and TASK Job Evaluation) are gradually but surely changing the culture in the Municipality. The entire Municipality's efficiencies are beginning to show great improvements. For instance, a gradual less use of paper is being realized and the performance seems to be on an upward trend in engendering activities of proper performance culture of an on-going oversight, monitoring and evaluation processes.

In as far as SMARTHR System is concerned; leave administration has become less cumbersome compared to the previous system. To date, Employee Self Services module which is paperless and user-friendly is being implemented.

Once TASK Job Evaluation is fully implemented, the job disparities among the various positions that are currently so prevalent will be history.

Successful implementation of these systems means that the Municipal performance will greatly improve. In order to ensure sustenance of the enhanced performance, and the continuous efficiencies improvement is unavoidable.

Over and above the three systems, which the municipality is praiseworthy about, The HCM Divisional function has been aligned with the SABPP Standards and Practices, which are derived from the Competency Model. Core to this Competency Model, are the four pillars of HCM professionalism namely: Duty to the Society: HCM have duty to society to deliver high quality HCM work that has an impact on society; Ethics: HCM professionalism should contribute to ethics in the Municipality and drive ethics in accordance with the SABPP HR guide; Professionalism: HCM professionals should manage themselves like true professionals in the standard of HCM work they deliver; HR and Business **Knowledge**: HR professionals must have good HR and sound business knowledge if they are to be successful as professionals and strategic business partners.

As professionally registered with the professional body, SABPP, the Manager: HCM and all the Specialists have become Ex-Officio Commissioners of Oath. This is a value add service to the community of Mogale City at large.

Contextually, the competency model gives assurance to the Municipality that given the necessary tools within the conducive working environment, the quality service delivery will prevail. Consequently, the pledge and commitment the HCM Division professionals made is that they will strive for continuous improvement of the services they are expected to deliver to the Client-Departments. Consistent with the idea of integration, which must occur irrespective of circumstance of any nature, the following factors are still critical and relevant:

## **I. Critical Factors in Human Capital Management & Development Planning:**

The HCM divisional Strategic Plan is derived from the Municipal strategic Plan. The alignment which ensures the furthering of the Municipal service delivery is core to the implementation of the Divisional Strategic plan.

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## **II. Integral Part of Municipal Planning:**

The HCM Division Vision and Mission remain part and parcel of the Municipal Strategic Plan. This ensures that HCM Division makes meaningful contribution to the growth and development of the Municipality.

## **III. Support and Commitment from Leadership:**

The success thus far is underpinned by the commitment and support from the leadership.

## **IV. Senior Management should lead:**

The Executive Management Team is involved in our processes and gives unwavering support in our achievement of our goals.

## **V. Allocation of Adequate Resources**

Resources are scarce and as such very difficult to come by. However, whenever, a need arises, management always finds the way in which to avail the necessary resources in terms of funds and time etc. However, it is becoming of paramount importance for management to begin to value the critical role the HCM function is charged with and make it possible to fulfill it. This plea is made with regard to the allocation of equitable resources.

T4.0.1

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## 4.1 EMPLOYEE TOTALS, TURNOVER AND VACANCIES

Employees					
Description	2014/15	2015/16			
	Employees	Approved Posts	Employees	Variance	Variance
	No.	No.	No.	No.	%
Water	78	112	72	40	36%
Waste Water (Sanitation)	70	103	57	46	47%
Electricity	73	166	63	103	62%
Waste Management	224	292	214	78	28%
Housing	13	19	11	08	42%
Roads and Waste Water (Stormwater Drainage)	64	82	68	14	17.1%
Transport	40	43	40	03	7%
Planning	22	49	21	28	57%
Local Economic Development	21	27	24	03	11%
Community & Social Services	133	177	139	52	29.3%
Environmental	162	162	152	10	6.2%
Security and Safety	166	297	189	108	36.3%
Sport and Recreation	53	122	41	89	73%
Corporate Policy Offices and Other	536	634	519	115	18.1%
<b>Totals</b>	<b>1657</b>	<b>2285</b>	<b>1610</b>	<b>697</b>	<b>31%</b>
Headings follow the order of services as set out in chapter 3. Service totals should equate to those included in the Chapter 3 employee schedules. Employee and Approved Posts numbers are as at 30 June.					
T4.1.1					

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Vacancy Rate: 2015/16			
Designations	*Total Approved Posts  No.	*Variances (Total time that vacancies exist using fulltime equivalents)  No.	*Variances (as a proportion of total posts in each category) %  %
Municipal Manager	01	00	0%
CFO	01	00	0%
Other S56 Managers (excluding Finance Posts)	08	01	13%
Senior management: Levels 3 (excluding Finance Posts)	38	04	11%
Senior management: Levels 3 (Finance posts)	06	00	00%
Highly skilled supervision: levels 5-4 (excluding Finance posts)	89	19	21.3%
Highly skilled supervision: levels 5-4 (Finance posts)	16	02	13%
<b>Total</b>	<b>159</b>	<b>26</b>	<b>16.3%</b>
Note: *For posts which are established and funded in the approved budget or adjustments budget (where changes in employee provision have been made). Full-time equivalents are calculated by taking the total number of working days lost (excluding weekends and public holidays) while a post remains vacant and adding together all such days lost by all posts within the same set (e.g. 'senior management') then dividing that total by 250 to give the number of posts equivalent to the accumulated days.			

T4.1.2

Turn-over Rate			
Details	Total Appointments as of beginning of Financial Year No.	Terminations during the Financial Year No.	Turn-over Rate*
2012/13	170	10	6%
2013/14	46	89	5.8%
2014/15	46	89	5.8%
2015/16	65	65	3.9%
Divide the number of employees who have left the organization within a year, by total number of employees who occupied posts at the beginning of the year			

T4.1.3

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## **COMMENT ON VACANCIES AND TURNOVER:**

Vacancy rate is quite steep on the highly skilled supervisory level but moderate on senior management where one (1) vacancy exists as at December 2014. During 2014/15 Financial year, the Municipality experience a turnover rate of 4.9, where a volume of termination where employees exiting the employment through retirement. There is a concern on exiting employees on supervisory level (highly skilled), retention strategy and realisation of retaining critical and scarce skilled staff are working progress. No vacancies exist on Municipal Manager and Chief Financial Officer positions.

T4.1.4



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## COMPONENT B: MANAGING THE MUNICIPAL WORKFORCE

### INTRODUCTION TO MUNICIPAL WORKFORCE MANAGEMENT

**Note:** MSA 2000 S67 requires municipalities to develop and adopt appropriate systems and procedures to ensure fair; efficient; effective; and transparent personnel administration in accordance with the Employment Equity Act 1998.

It is imperative for the Municipality to strive towards doing that which is right for it to mature in terms of growth and development instead of just complying with the relevant legislation. This will bring the most expected value to the Municipality. This is one of the areas HCM Division needs to diligently work on and improve.

There is a need to reconcile the human resources demand and supply. There is a need to strike the balance between the demand of the scarce and critical skills and the supply thereof. Subsequently, it is necessary to analyse the reality gap between the two in order to ensure that efficient and effective services are rendered to the client departments.

To meaningfully address the challenges always identified through situational analysis, there is a need to look at the big picture and have common view on what does the human resources really entail. Of paramount importance to this are the imperatives discussed below.

The Municipality cannot function well, and fulfil its mandate without a high level of capacity that is linked to, and dependent on human resources.

For the Municipality to function well, the following factors are crucial:

1. Setting clear and specific objectives that assist people understand their focus and priorities;
2. Design and develop an organisational structure that lend itself to effective use of employees and other resources, as well as quick and accurate decision making;
3. Devise the systems that make the work procedures more efficient;
4. Inspire the willing and competent officials to develop strategies for talent management in order to address the issues such as attraction, retention and succession planning which promote continuous learning and growth;
5. The Municipality to ensure the appropriate equipment and infrastructure to facilitate the work processes.

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Relevant to the above, the Workforce Plan and Policy as well as practices are to be developed during the next financial year: 2016/2017.

Other crucial aspects of Workforce Management are issues such Employment Equity (EE) Plan and GEYODI, which are well streamlined and are progressing well.

T4.2.0

## 4.2 POLICIES

HR Policies and Plans				
	Name of Policy	Completed %	Reviewed %	Date adopted by council or comment on failure to adopt
1	Delegations, Authorisation & Responsibility			
2	Disciplinary Code and Procedures	100%	25%	2009
3	Employee Assistance / Wellness	25%	0	n/a
4	Employment Equity	100%	0	2009
5	Grievance Procedures	0	25%	n/a
7	Job Evaluation	100%	100%	2014
8	Leave	25%	0	n/a
9	Occupational Health and Safety	100%	100%	2014
10	Property Management Policy			
11	Official transport to attend Funerals	50%	0	
12	Official Working Hours and Overtime	100%	0	2009
13	Performance Management and Development	100%	75%	Prior to 2009
14	Recruitment and Selection	100%	0	2014
15	Sexual Harassment	100%	0	2015
16	Uniforms and Protective Clothing	100%	0	2014
17	Capacity Building for Councillors	75%	0	
18	Absenteeism Management	75%	0	
10	Acting & Acting Allowance	100%	0	2010
20	Locomotion Allowance	100%	0	2010
21	Personal Protective Equipment	100%	100%	2014
22	Probation Policy	100%	0	2010

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23	Promotion & Succession Planning	100%	0	2010
24	Recruitment & Selection	100%	0	2014
25	Transfer & Secondment	100%	0	2011
26	Travelling, Subsistence & Accommodation Allowance	100%	0	2010
Use name of local policies if different from above and at any other HR policies not listed.				T4.2.1

## COMMENT ON WORKFORCE POLICY DEVELOPMENT:

We are still on course in developing the above plan, policy and practices in the period 2016/2017.

T4.2.1.1

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## 4.3 INJURIES, SICKNESS AND SUSPENSIONS

Number and Cost of Injuries on Duty					
Type of injury	Injury Leave Taken	Employees using injury leave	Average injury leave taken per employee	Average Injury Leave per employee	Total Estimated Cost
	Days	No.	%	Days	R'000
Required basic medical attention only	28	12		1	
Temporary total disablement	0	30		2	
Permanent disablement	0	0		0	
Fatal	0	0		0	
<b>Total</b>	<b>28</b>	<b>42</b>		<b>3</b>	

T4.3.1

Number of days and Cost of Sick Leave (excluding injuries on duty)						
Salary band	**Total sick leave	Proportion of sick leave without medical certification	Employees using sick leave	Total employees in post*	*Average sick leave per Employees	Estimated cost
	Days	%	No.	No.	Days	R' 000
Lower skilled (Levels 10-15)	5156	50%	1002	1343	3.84	
Skilled (Levels 7-9)	2022	51%	288	311	6.5	
Highly skilled production (levels 4-6)	1366.5	63%	235	237	5.77	
Senior management (Levels 0-3)	7	0	1	1	7	
MM and S57	-	0	7	7	-	
<b>Total Cost to Company</b>	<b>829</b>	<b>52%</b>	<b>375</b>	<b>379</b>	<b>2.19</b>	

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Total	9380.5		1908	2278	25.3	
* - Number of employees in post at the beginning of the year						
** <b>Note:</b> The system is only able to draw sick leave taken and cannot separate sick with and sick without Doctors note. Notes.						T4.3.2

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## COMMENT ON INJURY AND SICK LEAVE:

All injuries on duty are reported to the Occupational Health & Safety (OHS) Section which facilitates the completion of the correct Reporting forms (WC.12 Employer's Report of an accident sent to the Compensation Commissioner of Department of Labour) for all those injuries that require medical assessment/attention. And for minor injuries, employees receive first aid treatment from their sectional trained first Aiders or are referred to the Municipal Occupational Health Nurse who will treat, assess and refer to the hospital if necessary.

All incidents are investigated and recommendations made to ensure that no recurrence of similar accidents is experienced. The injured employee will be given the copy of the W.C.12 to use at the hospital of their choice. The employee will not use his/her Medical Aid card or cash to pay for the medical attention received at the hospital and in turn the hospital will send the bill to the Compensation Commissioner of the Department of Labour. After all consultations the injured must submit the progress and final medical reports to the OHS Section where they are forwarded to the Compensation Commissioner for processing.

For the year under review, a summary of reported work related incidents/injuries is as follows:

- 1) A total of 42 work related injuries were reported from July 2015 till end June 2016.
- 2) 12 of these injuries were referred to the Municipal Occupational Health Nurse where they received basic first aid treatments and were sent back to their respective work areas.
- 3) 30 of these incidents were injuries that required employees to be referred to the Hospital for further medical attention and examination.
- 4) During the year under review, there were NO Fatalities recorded in the Municipal Workplace.
- 5) The average sick leave days related to injuries on duty is around 3 days in most of the injuries where employees were booked off by the Doctors at the hospitals after attending to their injuries.
- 6) In terms of the estimated cost per injuries, this office is unable to quantify the estimated amounts due to the fact that the hospitals send the bill directly to the Compensation Commissioner of the Department of Labour and not to the municipality, they only say they will only issue the municipality with the injury bill only if the municipality will pay. All the hospital bills (which includes consultations X-rays, operation physiotherapy etc.) are sent directly to the Compensation Commissioner by the hospitals.

T4.3.4

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Number and Period of Suspensions				
Position	Nature of Alleged Misconduct	Date of Suspension	Details of Disciplinary Action taken or Status of Case and Reasons why not Finalized	Date Finalized
Engineering Technician	Illegal Water connection.	06 November 2015.	Suspension uplifted on the 08 <sup>th</sup> of February 2016.	Disciplinary Hearing pending.
Specialist Water and Waste Water Network	Illegal Water connection.	06 November 2015.	Suspension uplifted on the 08 <sup>th</sup> of February 2016.	Disciplinary Hearing pending.
Pressure Release Valve Technician	Illegal Water connection.	29 October 2015.	Suspension uplifted on the 08 <sup>th</sup> of February 2016.	Disciplinary Hearing pending.
Manager Electricity	Illegal Water connection.	06 November 2015.	Suspension uplifted on the 08 <sup>th</sup> of February 2016.	Disciplinary Hearing pending.
Manager Electricity	Illegal Water connection.	26 February 2016.	The employee's suspension extended on 26 <sup>th</sup> of May 2016 to 27 <sup>th</sup> June 2016 pending institution of disciplinary hearing.	Disciplinary Hearing pending.

T4.3.5

Disciplinary Action Taken on Cases of Financial Misconduct			
Position	Nature of Alleged Misconduct and Rand value of any loss to the municipality	Disciplinary action taken	Date Finalized
Nil.	Nil.	Nil.	Nil.

T4.3.6

**COMMENT ON SUSPENSIONS AND CASES OF FINANCIAL MISCONDUCT:**

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The employee's suspension has since been uplifted in accordance with the provisions of the SALGBC Disciplinary Procedure and Code Collective Agreement (DPCCA) which prescribe suspension for a predetermined period of three (03) months, however SALGA has since issued circular No. 04/2016 dated 27 January 2016 wherein the operation of the DPCCA has been suspended until the promulgation of the new code. This in turn implies that the employer must invoke the Code of Good Practice which is a schedule to the Labour Relations Act No. 66 of 1995 (as amended). The suspension of Frikkie Erasmus on the 26<sup>th</sup> of February 2016 and the extension thereof on the 26<sup>th</sup> of May 2016 to the 27<sup>th</sup> of June 2016 was based on the Code of Good Practice since there is greater probability that he may interfere with the evidence and or witnesses pending the disciplinary hearing.

No disciplinary hearing on the Financial Misconduct was recorded on for the financial year 2015 – 2016.

T4.3.7

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## INTRODUCTION TO WORKFORCE CAPACITY DEVELOPMENT

The Municipality has budget specifically for the capacity building of permanent staff. The budget is released annually for utilization by the departments. In addition to the training budget, the municipality allocate bursary funds for the study purpose as per the bursary policy stipulations. The challenge that are being currently encountered is that the bursary scheme does not cover post graduate studies. The municipality will be enforcing all departments to develop individual departmental training plans. In the meeting that was held between Labour and the Municipal Manager it was resolved that postgraduate studies should be funded and requires that the Learning and Development section to re-establish the Training Committee. The risk register require us to ensure that departments develop their annual training plans.

T4.4.0



# Chapter 4

## 4.4 PERFORMANCE REWARDS

Performance Rewards by gender					
	BENEFICIARY				
Designation	Gender	Total number of employees in group	Number of beneficiaries	Expenditure on rewards Year 1	Proportion of beneficiaries within group
MM and S57	Female	3	3		
	Male	6	3		
Senior management (Levels 0-3)	Female				
	Male				
Highly skilled supervision (levels -6)	Female				
	Male				
Highly skilled production (levels 7-9)	Female				
	Male				
Skilled (Levels 10-12)	Female				
	Male				
Lower skilled (Levels 13-15)	Female				
	Male				
Has the statutory municipal calculator been used as part of the evaluation process?					Yes/No?
Note: MSA 2000 S51(d) requires that ... 'performance plans, on which rewards are based should be aligned with the IDP'... (IDP objectives and targets are set out in Chapter 3) and that Service Delivery and Budget Implementation Plans (developed under MFMA S69 and Circular 13) should be consistent with the higher level IDP targets and must be incorporated appropriately in personal performance agreements as the basis of performance rewards. Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above).					T4.4.1

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## COMMENT ON PERFORMANCE REWARDS

*Performance Assessments for the Section 57 Senior Managers are running a year in arrears. We have finished these for the financial year 2014/15. As much we can respond on them. The performance for Levels 0-3 will be scheduled soon*

T4.4.2

# Chapter 4

## COMPONENT C: CAPACITATING THE MUNICIPAL WORKFORCE

### 4.5 SKILLS DEVELOPMENT AND TRAINING

Skills Matrix														
Management level	Gender	Employees in post as at 30 June 2015	Number of skilled employees required and actual as at 30 June 2016											
			Learnerships			Skills programmes & other short courses			Other forms of training (BURSARIES)			Total		
		No.	Actual 30 June 2015	Actual 30 June 2016	Target	Actual 30 June 2015	Actual 30 June 2016	Target	Actual 30 June 2015	Actual 30 June 2015	Target	Actual 30 June 2015	Actual 30 June 2016	Target
MM and S57	Female	3	0	0	0	0	0	3	0	0	0		0	
	Male	6	0	0	0	0	0	6	0	0	0		0	
Councillors and managers	Female	47	0	0	0		9	56		0	56		9	0
	Male	32	0	0	0		12	44		1	44		12	0
Technicians and associate professionals	Female	4	0	0	0		3	4		7	29		3	0
	Male	58	0	0	0		7	65		4	29		7	0
Professionals	Female	78	0	0	0		11	100		0	25		11	0
	Male	91	0	0	0		20	50		0	25		20	0
Sub total	Female	132	0	0	0		32			7	110		32	0
	Male	181	0	0	0		39			5	98		339	0
Total		313	0	0	0		62	328		12	208		62	

T4.5.1

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Financial Competency Development: Progress Report*						
Description	A. Total number of officials employed by municipality (Regulation 14(4)(a) and (c))	B. Total number of officials employed by municipal entities (Regulation 14(4)(a) and (c))	Consolidated: Total of A and B	Consolidated: Competency assessments completed for A and B (Regulation 14(4)(b) and (d))	Consolidated: Total number of officials whose performance agreements comply with Regulation 16 (Regulation 14(4)(f))	Consolidated: Total number of officials that meet prescribed competency levels (Regulation 14(4)(e))
<b>Financial Officials</b>						
<i>Accounting officer</i>	1	0	1	0	0	0
<i>Chief financial officer</i>	1	0	1	0	0	0
<i>Senior managers</i>	7	0	7	4	0	4
<i>Finance manager</i>	5	0	5	5	0	5
<i>other Officials</i>	50	0	50	16	0	16
<i>Specialists</i>	8	0	8	8	0	8
<b>Supply Chain Management Officials</b>						
<i>Heads of supply chain management units</i>	1	0	1	1	0	1
<i>Supply chain management senior managers</i>	0	0	0	0	0	0
<b>TOTAL</b>						
* This is a statutory report under the National Treasury: Local Government: MFMA Competency Regulations (June 2007)						

T4.5.2

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## **COMMENT ON SKILLS DEVELOPMENT AND RELATED EXPENDITURE AND ON THE FINANCIAL COMPETENCY REGULATIONS:**

During the year under review, the municipality spend R 800, 600,. 00 towards compliance in terms of the MFMA Regulations and R1 989 696.00 on other learning interventions and most employees who are affected by the MFMA Regulations have been covered. The training and development section is fairly funded and have been given an opportunity by the CFO to spend our mandatory grants without difficulties.

The funding for training during the 2014/15 financial year remained stagnant and that created a hindrance on planned training intervention. The great challenge for the section remains the submission of training plans by the Departments. The training committee is not functioning as it supposed to as required by legislation, but plans are in place to revive it. The Municipality spent R1 800 696 on skills programmes, competency training and workshops. The number of employees that were trained for 2014/15 financial year amounts to 388. Expenditure on average is R3 500.00 per employee. Training interventions are not budgeted for by management level not even on even gender basis, budgeting is done according to the training needs of departments, and as a result the above table may seem unpopulated or even incomplete. Subsequently only the total figures could be provided.

T4.5.4

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## COMPONENT D: MANAGING THE WORKFORCE EXPENDITURE

### INTRODUCTION TO WORKFORCE EXPENDITURE

The municipality remains heavily indebted to its employees' sterling performance. The municipality attracts the best in various fields but also deploys best practices in human capital management. To this end, the municipal budget expenditure on salaries remained 29 % of Operating Expenditure Budget, which is way below the prescribed National Treasury guideline of 33 %. The municipality continued to invest substantially in human capital development. The municipality received requests to assist other municipalities with Human Resource Capacity on a continuous basis in critical areas such as financial management, legal advice, procurement related services, internal auditing, asset management and public safety.

We have a staff compliment of one thousand six hundred and fifty seven (1657) warm bodies.

T4.6.0

## 4.6 EMPLOYEE EXPENDITURE

### WORKFORCE EXPENDITURE TRENDS



Source: MBRR SA22

T4.6.1

# Chapter 4

## COMMENT ON WORKFORCE EXPENDITURE:

The Municipality's actual employee expenditure has speedily increased by 5% from R535,024,239 in 2013/14 to R561,799,985 in 2014/15 which clearly indicates an improvement in the number of vacant positions reflected on the approved organogram as the inflationary annual salary increase was below 7%. The increase of 5% (2014/15) as compared to 14% (2013/14) financial year was due to uncertainty of Municipal Demarcation Board process as well.

Therefore, the Municipality should continue to strive to fill vacant positions particularly that of engineers, electricians, qualified artisans, and a qualified junior council advocate and at least three qualified attorneys, in order to beef up specific departments within Council, which will benefit the entire Municipality. Filling these positions will result in improved service delivery to the communities and various stakeholders, because the municipality is growing at an enormous pace, so has service delivery demands increased, thus forcing Council to appoint more employees, to become more and more effective and efficient in its daily operations.

T4.6.1.1

Number Of Employees Whose Salaries Were Increased Due To Their Positions Being Upgraded FY 2015/16		
Beneficiaries	Gender	Total
Lower skilled (Levels 15-13)	n/a	0
	n/a	0
Skilled (Levels 12-10)	n/a	0
	n/a	0
Highly skilled production (Levels 7-9)	n/a	0
	n/a	0
Highly skilled supervision (Levels 6-4)	n/a	0
	n/a	0
Senior management (Levels –Managers 5-3)	n/a	0
	n/a	0
MM and S57	n/a	0
	n/a	0
<b>Total. No employee salaries were increased due to upgrade on their positions.</b>		
Those with disability are shown in brackets '(x)' in the 'Number of beneficiaries' column as well as in the numbers at the right hand side of the column (as illustrated above).		T4.6.2

# Chapter 4

Employees Whose Salary Levels Exceed The Grade Determined By Job Evaluation				
Occupation	Number of employees	Job evaluation level	Remuneration level	Reason for deviation
There were no jobs evaluated during the financial year under review				
T4.6.3				

Employees not appointed to posts not approved FY 2015/16				
Department	Level	Date of appointment	No. appointed	Reason for appointment when no established post exist
There are no employees appointed to positions not approved on the organizational structure				
T4.6.4				

## COMMENT ON UPGRADED POSTS AND THOSE THAT ARE AT VARIANCE WITH NORMAL PRACTICE:

1. No jobs were upgraded in the financial year 2015/2016 and there were no variances with the normal practice

T4.6.5

## DISCLOSURES OF FINANCIAL INTERESTS

At the beginning of each financial year the Disclosure forms are distributed to all within council to declare their financial interests, the political office bearers and employees alike. The foregoing is done in order to comply with the Municipal System Act (MSA) and the Municipal Performance Regulations for Managers, where the latter is only applicable to the Senior Managers but excludes political office bearers.

In terms of the MSA, staff members and councillors are prohibited from doing business with any Municipality. It is for this reason that the Draft Ethics Management Programme of MCLM has been developed in order to set out the process of dealing and monitoring conflict of interest in the Municipality. For purpose of promoting good governance, as well as an open and accountable Municipality.

For further information on the above kindly refer to **Appendix J**

T4.6.6.



# Chapter 4

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